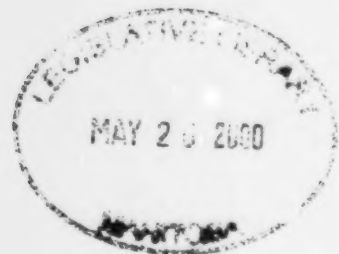


# **HUMAN RESOURCES REVIEW**

## **MANITOBA LOTTERIES CORPORATION**



May 19, 2000

## FORWARD

A project such as this is not possible without the input and assistance of many people. My thanks to the team from the Civil Service Commission - Bob Pollock, Dale Baker and Rose Bear. Their expertise and advice was invaluable. Jackie Gruber, who assisted in conducting interviews and in many other ways, was an essential part of this Review and I am very appreciative of her help.

Most of all I wish to thank the many employees at all levels within MLC for their open and candid observations about their workplace, as well as their views as to how to make it better. The degree of commitment that employees demonstrated- to their employer, their workplace, and the customers they serve- was a consistent theme throughout our discussions. So many of the individuals we interviewed spoke of how much they love their work and what it means to them, the appeal of the industry, and the potential they see in MLC to be a model employer, if it were guided by fairness and respect. This kind of dedication is to be envied.

Employees are an organization's greatest asset. They deserve to be treated fairly and equitably. MLC clearly faces some challenges in achieving the standard which is expected of a public sector employer, and senior management will have to work hard to gain the trust of its employees. The commitment we saw in the employees who participated in this review, if recognized and utilized, will be of great assistance in meeting that challenge.

P. Colleen Suche  
May 18, 2000

# **HUMAN RESOURCES REVIEW**

## **MANITOBA LOTTERIES CORPORATION**

### **Introduction**

This Review was called by the Board of Directors of Manitoba Lotteries Corporation ("MLC"), as a result of a series of complaints by current and former employees of the Corporation. The complaints were directed at a number of issues which, loosely described, relate to the management practices in place at MLC. The stated intent of the Board was to review past practices in order to make changes that would improve the work environment at MLC, and ultimately result in a respectful workplace for all.

### **Terms of Reference**

- Review staffing processes for the past two to three years, with a particular emphasis on whether or not positions, particularly at senior levels, were filled without competition (posted, but not filled by open selection) and why.
- Review staffing controls, particularly in relation to staffing being decentralized to Casinos in the last two to three years.
- Review turnover rates, use of sick leave, and grievance files to analyze any trends.
- Interview staff in relation to the perception of fairness and equity in human resources policies and procedures. Also analyze the corporate culture and whether or not this is a respectful and harassment free workplace.
- Identify and document any instances of sexual, racial or other human rights ground of harassment. Also identify and document any abuse of authority harassment. Differentiate between those which have been dealt with satisfactorily and those which have not. Is the complaint system satisfactory?
- Review employment equity practices.

- Review the organizational structure and proposed reorganization and the impact on staff.
- Review internal communications. Do people have what they need to do their job and do they feel part of a larger organization?
- Review recent issue of shift scheduling and overtime allocations. Is the present system acceptable?
- Is there a conflict resolution system for staff? How is conflict dealt with?

### **Methodology and Approach**

The Review consisted of several components:

- Analysis of policies, procedures, collective agreements and other internal documents
- Review of records and statistics.
- Review of historical information and data.
- Review of specific processes, activities and undertakings.
- Interviews with current and former employees, both staff and management, as well as third parties.

Employees of MLC were notified of the Review by way of two written notices, one of which contained a telephone number by which they could contact the Review Team. A similar notice was sent to the 467 individuals who left the employ of MLC between January 1, 1999, and December 31, 1999.

Interviews were conducted by telephone and/or in person. Interviewees were selected because they had requested an interview; were contacted by virtue of their position at MLC; were randomly chosen on the basis of the area in which they worked; or were believed to have information or knowledge that would be of value to the review.

In total, approximately 130 interviews were conducted during the course of the Review. A number of letters and other written submissions were also received. Line staff, managers from every level of management, senior site management, and most members of executive management, including the President, were interviewed.

What became apparent very early on in the process was that the scope and magnitude of issues that were raised, combined with the extent of the issues at MLC, meant that a thorough and effective consideration of all the topics identified could not be completed in the time allotted with the resources available. It was clear, however, there was an urgency in the situation that required early attention. Thus, complying with the time frame, or a reasonable approximation thereof, became the priority. In the end, there are many situations and issues which will require further review, investigation, and action.

A recurrent problem throughout the Review was the difficulty in obtaining accurate and complete information. In many cases different explanations of situations, policies or decisions were provided. This did not appear to result from any attempt to actively mislead, although some individuals were less forthcoming than was desired. For the most part, this was due to lack of written policies and records, as well as differing interpretations of decisions or situations. The consequence, however, was that the process of understanding events and finding the truth was made more difficult and time consuming.

## **Background**

In 1984 the Provincial Government, through the Manitoba Lotteries Foundation ("MLF"), assumed responsibility for operating casinos within the Province. It also took over operation of the three existing Bingo facilities in Winnipeg. Occasional casinos were operated at various locations throughout Manitoba until 1989, when the Crystal Casino was opened in the Hotel Fort Garry. Two years later Video Lottery Terminals (VLTs), were introduced to rural Manitoba.

In 1993, the Bingo Halls were closed and two entertainment centres, McPhillips Street Station and Club Regent, were opened. Both offered Bingo as well as VLTs. In 1997, the Hotel Fort Garry indicated it would not renew the lease for the Crystal Casino, and following a study by external consultants, the decision was made to move casino operations to McPhillips Street Station and Club Regent. Following extensive renovations and expansion, the facilities were reopened as full service casinos in July, 1999. Video Lotto was established as a division of MLC in 1991, when Video Lotto terminals were introduced into rural Manitoba. It is responsible for supplying, maintaining and servicing VLTs throughout the Province, and is headquartered in Morris, Manitoba.

MLC was incorporated by statute in 1993. It is a Crown Corporation and is governed by a Board of nine directors.

MLC, (and MLF previously) have been in a state of ongoing growth and change since the former's creation. Records kept by the Human Resources Department, reveal that in 1985, 93 people were employed by MLF. This rose to 316 by the end of April, 1991. As at April 30, 2000, there were 1,926 employees. The opening of the Entertainment Centres in 1993, was a significant endeavour. The closure of the Crystal Casino and the expansion of McPhillips Street and Club Regent into full service casinos transpired over approximately a year and half, and was an enormous undertaking. To accommodate the expansion 664 full-time employees were added to staffing. Combined

with the extremely high rates of turnover experienced by MLC, ongoing recruitment has been the major focus of the Human Resource Department.

## **Work Environment**

What was evident during this review was that a casino is an exciting, fast paced and stimulating environment within which to work. It is this sense of excitement that attracts many employees to MLC. The customers who frequent casinos are diverse and interesting. In the words of more than one employee "[they] are the reason I go to work everyday." At the same time, the nature of gambling is such that unrealized expectations and disappointment are constants. Most people leave a casino having spent money without receiving anything back. Customers can be difficult, sometimes belligerent. The business is highly focused on customer service. "The Customer is Always Right" approach, which is part of the service industry, does not always seem supportive to employees. A disgruntled patron who feels s/he has been treated unfairly by a machine, an employee, or whatever, is usually placated in some way. Actions or decisions by staff may be challenged and overruled by a manager or senior management, and is a fact of life for many casino workers.

The casinos are open 17 hours a day, six days a week, and 16 hours on the seventh. Shift work is a reality for almost all casino employees. Many jobs are entry level and require limited skills, but considerable patience. Many are not high paying. A significant percentage of the workplace is young - 50% of MLC employees are under the age of 30. All of this presents challenges. Clearly, working in a casino is not for everyone. However, for those to whom it does appeal, it has considerable allure.

It is also true, however, that at least historically, MLC has been a place where an individual can get ahead. Many employees who are managers or employed in support



areas, such as Human Resources or Finance and Administration, began their careers as cashiers, slot attendants or bingo callers.

The casino industry is still in its infancy in Canada. The Crystal Casino was the first full time (as opposed to occasional) casino in Canada. Since then, casinos have opened in most other provinces. Over the years, although not as much recently, there has been a significant number of management employees who have left MLC to take employment with these competitors. This fact was emphasized by senior management during the review.

It should not be forgotten, as well, that gambling is a controversial activity that is vulnerable to negative public attention and media scrutiny. For MLC, being a Crown Corporation, this is amplified many times over. A bad day at the casino can result in a call to the Minister's office, headlines in the local newspapers, or questions in the Legislature. The recent media coverage of events relating to the dismissal of the President are but examples of the fish bowl existence of MLC. As a result, decisions which would be a matter of course in the private sector can become complicated, compromised and beyond the control of the organization. The tie to government can be something of a chain, and in and of itself adds a degree of uncertainty to the day to day existence of the organization. This is also a reason for a strong infrastructure that protects the integrity of the organization and the employees who work there.

What emerged, however, from the many discussions with current and former employees at every level of the corporation is that MLC is a sometimes chaotic, often inconsistent, organization where poor communication and seemingly arbitrary decisions are common. Hiring and promotion decisions are not always based on merit. The focus of many operational decisions is what the President wants or what subordinates think he would want. There is a very clear delineation between executive management (the President and the Vice Presidents), and the staff. The former function within a culture of entitlement, where perks, privileges and access to the assets of the organization are



extreme versus the latter, who, far from having privileges, are subject to a series of rules and restrictions beyond what is typical in most workplaces. Employees on the whole express feelings of not being valued or trusted, nor, in many situations, simply treated with respect.

The views expressed by employees were a startling contrast to the Mission Statement:

#### **Mission Statement of MLC**

*To provide, within a highly competitive gaming industry and within a framework of integrity and social responsibility, innovative and high-quality gaming related entertainment and services and to generate long-term economic benefit to the people of Manitoba.*

In addition, MLC has determined its Core Values as follows:

*The MLC's core values expand upon several aspects of our mission statement. In particular, they add meaning and elaborate on the phrase "integrity and social responsibility".*

- *The Manitoba Lotteries Corporation is a crown corporation working to generate revenues from gaming activities to improve the quality of life for Manitobans.*
- *The MLC is a fair and respectful organization in dealing with employees. Equity and fairness are the cornerstone of our human resources management philosophy and practices.*
- *The MLC is progressive. We aim to provide proven state-of-the-art products, services, and facilities to our customers and employees.*

- *The MLC is responsive. We respond quickly and professionally to the requirements of the Minister, the Government and Manitobans, and to our customers.*
- *The MLC is responsible. We have a duty to the Province and the people of Manitoba to be responsible for the assets entrusted to our care, maintaining the integrity of the gaming industry and for carrying out our mandate with creativity, honesty, integrity and social responsibility.*
- *The MLC is results-oriented. We state our objectives clearly, strive hard to achieve them and continually measure our performance in an attempt to find ways of improving it.*
- *The MLC is reliable. We are a good company to do business with and a good partner. Our partners and clients know that we meet our commitment. We are a good corporate citizen.*

This contradiction between the stated values and the reality experienced by employees has added to the lack of trust that employee expressed in the interviews.

### **Summary of Findings**

- MLC is hierarchical and tightly controlled from the top. Site management has limited authority to manage. A significant problem is the President's involvement in the most minute details of operations. This results in far too much time being spent by site management on what the President wants or would likely approve. It also interferes with meaningful planning, and creates an ongoing atmosphere of uncertainty.
- The highly controlling management style also exists throughout the many layers of management. Members of management frequently are not consulted on issues which directly affect them, and about which they could make a significant contribution. A common sentiment expressed by site employees at all levels is

that managers are not allowed to manage, and are frequently overruled, undermined, and not trusted with their responsibilities. Many managers expressed frustration that they are not supported. In turn, many staff expressed the sentiment that they are not trusted or valued. Senior site managers acknowledge that it is difficult to give up the little control they do have, when they themselves are at risk of being overruled.

- Insufficient appreciation of operational needs has resulted in decisions and directions from Executive Management which are not in the best interest of the sites.
- Through a variety of policies, practices and decisions, the organization demonstrates that it does not value employees. Little reward or recognition is given to employees. This has contributed to poor morale.
- There is a troubling and pervasive attitude on the part of both executive and senior site management towards front line managers that is almost punitive in nature, and ignores the total failure of MLC to provide these employees with any supervisory training.
- Inadequate planning and hiring decisions made during the 1998 re-organization and expansion left site management with limited ability to cope with the challenges it faced, and seriously undermined the morale of site management.
- There is no overall Human Resource planning process.
- There is an absence of adequate basic human resource policies such as recruitment, promotion and performance management. This has allowed inappropriate hiring and promotion decisions, ineffective performance management, and lack of meaningful employee evaluation.

- A number of situations were identified where hiring decisions, particularly for management positions, were made based on criteria other than qualifications.
- Several incidents were identified where employees were given preferential treatment because of real or perceived political or external influence.
- The existing Harassment and Equity policies and practices are inadequate to properly serve the needs of the organization.
- A number of incidents of harassment and abuse of authority were identified and will require investigation.
- No overall training strategy exists within MLC. There is a absence of training in a number of critical areas which has limited employees' ability to perform their duties properly.
- There are insufficient policies and procedures regarding many operational matters which leads to confusion, and inconsistent decisions by front line management.
- There is an excessive reliance on casual staff to meet the operational needs of many departments.
- A secretive and controlling attitude by executive management limits relevant information from being shared with line management, and contributes to poor communication throughout the organization.
- The many layers of management within the Gaming Division impede effective communication.

- Turnover rates of 28% for full-time employees, and 38% for aboriginal employees are unacceptable, and create significant financial and operational costs to the organization.
- Inadequate benefits seriously impede MLC's ability to recruit skilled and experienced employees, particularly for technical, support and head office positions, and contribute to high turnover.
- Differing levels in benefits between employees who are former Civil Servants, and other MLC employees creates a serious inequity and contributes to the poor morale.
- There is an absence of succession planning, and meaningful evaluation of executive management.
- There are significant operational issues in a number of areas which will require further review with the assistance of appropriate expertise. Included is the Security Department, which requires immediate attention.

## **Conclusions**

Clearly articulated written human resource and operational policies and procedures create the infrastructure to provide guidance, control and integrity to an organization. The absence of such an infrastructure is one of the two factors that appear to be at the core of the issues identified above.

While adequate operating procedures are lacking in some areas by and large, it is the absence of appropriate Human Resources policies that is by far the greater problem. There has been a failure on the part of the Human Resources

Department to develop this infrastructure and to provide direction, guidance and support to MLC at a critical time in its development. While this is damning enough, a comprehensive audit of the Human Resources Department that was conducted by the Internal Auditor of MLC (in conjunction with KPMG) in December, 1997 identified most of the Human Resource issues referred to above. Sixty-two specific recommendations were made in the Report. The overall conclusion at that time was that the following specific management action was required to address the 1998 Audit's findings:

- *Establishing a framework of Corporation Human Resources Management policies and procedures covering Human Resources planning, staff recruitment, job evaluation and compensation, labour relations, training, performance management, workplace safety and health, and Human Resources Information Services.*
- *Developing a more comprehensive and effective organization structure for the Human Resources Department, where roles and responsibilities are more clearly defined and teams/business units providing key strategic Human Resources are established.*
- *Implementing a comprehensive training program to further enhance the knowledge and skill levels of existing Human Resource staff. This would also include hiring/contracting for Human Resources expertise that is not readily available in-house.*
- *Drafting and promulgating comprehensive corporate Human Resources policies that are aligned with MLC's mission and mandate. This will provide line managers with the necessary guidance to ensure the consistent and equitable treatment of employees.*
- *Standardizing and streamlining the staff recruitment process and where warranted, contracting for external expertise to assist in the recruitment of staff with specialized technical, professional and/or managerial skills.*
- *Monitoring and reporting turnover rates and developing action plans with line management to reduce related turnover costs.*
- *Reviewing current benefit packages to determine the extent to which the Corporation is receiving best value-for-money and maintaining as much equity amongst employee groups as possible.*



- *Developing and implementing a standard performance appraisal model including guidance with regard to the timing and frequency of appraisals, confidentiality requirements and filing routines.*
- *Establishing a corporate training and development strategy that would clearly define the mandatory basic training requirements for all levels of MLC staff.<sup>1</sup>*

The formal Management Response to the sixty-two specific recommendations states, (or in some instances, leaves the impression) that as of mid to late 1998, the recommendations had been complied with or steps were being taken to comply with them. In fact, very little has occurred in the intervening two and a half years.

To suggest that this review would not have been necessary had the recommendations of the Internal Auditor been followed, overlooks that there are other factors which have contributed to the current situation. Clearly it would also have taken some time to implement the recommendations. However, there is no doubt that the extent of the problems at MLC today would be much less significant, had the Human Resources Department done what it said it had or was going to do in 1998. Certainly the organization would have been much better equipped to cope with the challenges of the last two and a half years.

The other factor of course, is the role of senior leadership. The attitudes and leadership style of senior management have contributed significantly to the work environment. Many of the specific decisions that have had a negative impact on both operations and morale were made by those in the most senior positions in the organization.

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<sup>1</sup> Several other matters were included, but relate to issues not part of this Review.

MLC has not achieved its stated core value that *"The MLC is a fair and respectful organization in dealing with employees. Equity and fairness are the cornerstone of our human resources management philosophy and practices"*. Achieving corporate objectives and goals is the responsibility of senior leadership. A corporation's failure to meet such standards is a failure by senior leadership.

Clear and decisive action must be taken to implement meaningful change at MLC. Not surprisingly, this review has raised the expectations of many employees that their situation will improve. The risk of not acting is a further loss of confidence in the organization by both those who participated, many others. The 1997 Internal Audit Report and the findings in this report should provide a roadmap to guide MLC in create the necessary policies, procedures and decisions

The Board will also have to carefully consider whether members of senior management ultimately have the skills necessary to lead the organization through this process.

## **SUMMARY OF RECOMMENDATIONS**

The following is a summary of recommendations based on the Terms of Reference for the Human Resources Review outlined on page 1 of this report.

### **1 & 2 Review Staffing Processes and Controls for the Past 2 to 3 Years: Review Whether Positions, Particularly at Senior Levels, Were Filled Without Open Selection:**

- A comprehensive recruitment and selection policy be developed that requires selection to be based on the merit principle; requires posting (and open selection) for all positions, including any temporary assignments which will be eligible for acting pay.
- Selection and promotion criteria be incorporated into all MLC's Collective Agreements. Determination of whether emphasis is on skill and ability or seniority, should be made with input from line management.
- The policy that employees are not entitled to apply for a position unless they have been in their existing position for six months be abandoned.
- The policy that lateral transfers are not permitted be abandoned.
- An acting status/temporary assignment policy be developed which: identifies the circumstances in which acting status is used; sets a maximum time period for any acting assignment, after which the position will be considered permanent; and identifies the terms on which acting pay will be paid recognizing the level of the position and the extent to which all duties of the position will be fulfilled.

**3. Review Turnover Rates, Use of Sick Leave, and Grievance Files to Analyze Any Trends:**

1. Monitor turnover on a regular basis, at corporate and department levels with specific focus on department and with unusually high rates of turnover. Monthly reports should be distributed to the line management for review and follow up.
2. Action plans to reduce turnover based on the result of turnover trend analysis should be developed, and where existing, reviewed on an ongoing basis.
3. The existing Exit Interview form should be reviewed to ensure appropriate information is sought.
4. Develop as policy regarding use of exit interviews, including the appropriate person to conduct same. The reasons employees cite for their departure should be documented in the Human Resources Information Services System and used to analyze turnover trends, and followed up for appropriate action if required.
5. An analysis of employee benefits should be conducted with a view to developing a benefits plan for all employees that is competitive.
6. The policy of not compensating employees for the first day of absences due to illness be eliminated. An alternate policy to address abuse of sick leave be implemented if required.
7. Progressive disciplinary guidelines and related appropriate procedures to promote consistency in the application of discipline and the equitable

treatment of all employees be developed. Procedures should make reference to relevant provisions of the Collective Agreements.

8. Training for all management staff in the application of the progressive discipline policy and procedures be provided.
9. Communicate progressive discipline guidelines and procedures to all MLC staff to ensure that they understand the disciplinary process. This should be incorporated the Employee Handbook for new hires.

#### **4. Perception of Fairness, Morale Issues, Corporate Culture**

1. A Business Conduct Policy be developed to establish a corporate wide standard of conduct by employees and Board members, which:
  - ▶ Requires integrity in all matters.
  - ▶ Requires employees and Board members to not participate in their regular duties if any personal interest or activity might interfere with the individual's objectivity.
  - ▶ Incorporates MLC's existing conflict of interest policy.
- The Staff Christmas party, held on November 11<sup>th</sup>, should be financially supported by MLC, to the same extent as the Corporate Christmas party.
- A review of policies and practices regarding privileges for all employees should be conducted to ensure equitable treatment of staff.
- Executive management should regularly consult with line management regarding all issues affecting operations.

- Sites should develop a five year business plan with input from line management.
- Initiatives to support and recognize employee's contributions should be implemented.
- An appropriate performance evaluation system which ties employee objectives to departmental/corporate objectives and identifies specific and measurable outcomes be developed.
- A standard performance appraisal model, which includes an instruction guide for proper application be developed.
- A performance management training program be designed and delivered to all management staff.
- A training coordination function should be developed by Training Services. Authority for training budgets should be decentralized to line operations.
- The Training Centre should immediately undertake a needs analysis of all departments of MLC.
- The Training Centre should establish a Corporate training and development strategy that would define the mandatory basic training requirements for all levels of staff. This would include a monitoring system to ensure that all required training is completed by staff on a timely basis.
- The Training Centre should develop standard training programs to address the most common needs of all divisions, including managerial and



supervisory training and performance evaluation, through the use of external providers and in house courses.

- The Human Resources Department must act as a resource for line management with regard to analyzing and addressing employee training needs.
  - The Training Centre should establish an inventory of high quality courses, seminars and conferences with regard to more specialized topics and maintain appropriate literature for reference by MLC staff. This should include the development of a formal "course evaluation" routine to be utilized in revising inventory.
  - Clearly articulated written policies which define the basis on which training is assigned should be developed for each department with the assistance of Human Resources.
  - An analysis of the use of casual staff be conducted with a view to ensuring that operational needs are met through permanent staff to the extent possible.
18. The pay scale for Bingo Caller/Checker and Volunteer Co-ordinator positions in the MGEU Collective Agreement be reviewed with a view to increasing same to achieve parity with similar positions.
  19. Review the existing benefit plans of all employees with a view to creating equality between the BENSUP status employees and other employees.
  20. The salaries of the ten employees in the administrative unit of MGEU who are paid based on annual salary should be reviewed. Consideration should

be given to increasing their salary to compensate them for the increase to a 40 hour work week. Any other former Civil Service employees in exempt positions should be similarly compensated.

**5. Review Harassment Policy; Identify Instances of Harassment**

1. All complaints of harassment, abuse of authority, and other serious misconduct, provided to the Board as a result of this Review, be assigned to an appropriate person for immediate investigation and appropriate action.
- An expanded and detailed Harassment Free Workplace Policy, which prohibits discrimination, personal harassment and abuse of authority, and retaliation, provision for reassignment of a complainant at the complainant's request during the course of the investigation, detailed procedures, including appropriate consultation with line management on disciplinary or other outcomes be developed. Input from all Bargaining Units should be part of the policy development process.
- A position of an Investigation Officer be created which reports directly to Vice President Human Resources, and is responsible for investigation of complaints, communication, design and implementation of an education and training program relating to the policy, and preparation of an annual report to the Board of Directors.

## **6. Employment Equity**

1. A position of Employment Equity Coordinator be created, to have overall responsibility for development, communication and delivery of Employment Equity policy, programs and initiatives.
2. MLC develop an Employment Equity policy with clear guidelines and which includes effective strategies which accelerate the rate of recruitment and advancement and retention of the four designated groups, and integrates employment equity into Human Resources Planning.
3. Assign VPs and site managers clear responsibility to ensure the Equity policy and the principles behind it are positively communicated to all levels of staff and that the visible leadership and support of the plan by VPS and EGMs demonstrate to all levels of the organization the importance of achieving the long term goals.
4. The orientation program for new employees should be revised to include information and discussion of the Corporation's Employment Equity program, the Aboriginal employment initiative introductions to union representatives, and a mentor for those employees of Aboriginal ancestry.
5. Establish a long term employment goal for Aboriginal employment that is realistic and reflective of the population served.
6. Establish short term goals in line with long term goal in the form of annual objectives and departmental sub-objectives for recruiting, developing and retaining aboriginal employees.

7. On-going cultural awareness seminars with various Aboriginal organizations/individuals should be implemented and include all staff.
8. An information support network with voluntary membership with the objective of providing input and insight into Corporate Aboriginal issues should be created.
9. Ensure that career development opportunities are provided to Aboriginal employees to enhance their career mobility as they become available.
10. Conduct exit interviews with all Aboriginal employees who leave the Corporation. This information should be used to develop corrective measures to aid retention.
11. Set long term and short term goals for the percentage of management positions held by women.
12. Ensure appropriate development and training opportunities are available to ensure advancement of women into management positions.
13. Develop a second stage mentoring program for women in management and supervisory positions.
14. Set long and short term goals for Visible Minorities and persons with disabilities employment.
15. Ensure that career development opportunities are provided to visible minority employees and employees with disabilities to enhance their career mobility as they become available.

**7. Review the Organizational structure and Proposed Re-organization and its Impact on Staff**

1. An advisory committee consisting of representatives of various levels of site management, on-site support services and other affected areas be established to provide input to executive management on the proposed re-organization and its implementation. The question of whether the number of levels of management within the casinos is appropriate should be addressed by this committee. An implementation and internal communication strategy should also be developed with the assistance of this committee.
2. Consideration should be given to centralizing the reporting function for Human Resources site operations.
3. The Internal Audit Department should be requested to conduct an audit of the Purchasing Department. If this cannot be conducted within a reasonable time, an advisory committee consisting of representatives of all levels of staff from head office and on-site purchasing, should be established to provide advice to the VP Finance as to appropriate policy and structural changes to increase the Department's effectiveness.
4. An immediate review of the Security Department should be conducted with the assistance of outside expertise. Consideration should be given to creating a VP Security to ensure appropriate leadership, development of corporate policies and maintenance of standards.
5. A review of the activities and reporting lines of the Surveillance Department should be conducted. Consideration to be given to whether the Surveillance

Department should report to either VP Security or to the Gaming Commission.

6. A review of the duties and responsibilities of the VP Communications and VP Casino Development portfolio should be conducted to determine whether these positions should be at a vice-presidential level.
7. The Internal Auditor should report directly to the Audit Committee of the Board, rather than the VP Finance.
8. A review of the decentralized Information Services operations should be conducted. An advisory committee consisting of representation from site management and staff, and Head Office should be established to make recommendations as to potential improvements.

**8. Internal Communications.**

1. The Communications Department should be instructed to develop an internal communications strategy.

**9. Review recent issue of shift scheduling and overtime allocations. Is the present system acceptable?**

1. Written policies be developed with input from line management as to the use and allocation of overtime.
2. Clearly articulated, written policies, which define the basis on which shifts are assigned be developed with the objective of bringing consistency within the



corporation (to the extent appropriate), and ensuring fairness and equitable treatment of staff.

3. An in-house seminar be developed by the Training Centre to assist departments in effective use of staff resources.

**10. Is there a conflict resolution system for staff? How is conflict dealt with?**

1. Training in managing conflict should be provided as part of the mandatory training for managers.

**11. Comments on Human Resources**

1. In consultation with line management, develop a comprehensive list of Human Resources Management support requirements to be used to develop a framework of Human Resources policies for the Corporation outlining acceptable practices with respect to all Human Resource Management processes.
2. Once Human Resource policies are developed, ensure the clear delineation of Human Resources Management responsibilities between line management and the Human Resources Department, recognizing that authority for final decisions related to management of staff should rest with line managers; and that Human Resources is to provide advice, deliver support services and monitor activities to ensure compliance with corporate policy.

3. Issue Human Resources Management policies to all levels of management and ensure that line managers are given responsibility and held accountable for Human Resources activities in accordance with the these guidelines.
4. A review of all existing Human Resource policies should be conducted to ensure their accuracy and appropriateness.
5. Incorporate existing and new policies into the Human Resources Management framework for the Corporation.
6. Ensure that all Human Resource policies are communicated and that all levels of line management receive awareness/training in the appropriate application of Human Resource policies and procedure.
7. Ensure the development of a comprehensive Human Resource policy process in accordance with the Human Resources policy set out in the Human Resources Management Framework. This should be done in consultation with line management to ensure that best practices now in place are incorporated in this process.
8. Ensure departmental Human Resources Plans are consolidated into a Corporate Human Resources Plan, as part of the business planning process, to ensure senior management has the appropriate level of information for corporate decision making.
9. Ensure that Human Resources provides proactive support systems and services to help line managers manage their people and interpret and use MLC's HR policies effectively.

## **12. Board Issues**

1. An internal communication strategy regarding the outcome of this review should be developed.
2. A succession planning policy for executive management should be established by the Board.
3. A performance management evaluation policy for senior executives consistent with the principle contained in the corporate model be established by the Board.
4. MLC, rather than the Province of Manitoba, employ the President and CEO.
5. The Board should request Crown Corporations Council to make training in Board Governance and responsibilities available for members of Boards of Crown Corporations.